Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Application by Qwest Communications	)	
International Inc. for Provision of	)	
In-Region, InterLATA	)	CC Docket No. 02-189
Services in Montana, Utah, Washington	)	
and Wyoming	)	
	)	

DECLARATION OF SHERRY LICHTENBERG

1. My name is Sherry Lichtenberg. I have twenty years of experience in the telecommunications market. Prior to joining WorldCom, Inc., I was Pricing and Proposals Director for AT&T Government Markets, Executive Assistant to the President, and Staff Director for AT&T Government Markets. I also held a number of positions in Product and Project Management. I have been with WorldCom, Inc. for six years. I am currently employed by WorldCom, Inc. as a Senior Manager in the Mass Markets local services team. My duties include designing, managing, and implementing WorldCom's local telecommunications services to residential customers on a mass market basis nationwide, including Operations Support Systems ("OSS") testing in Qwest and elsewhere. I participated in the drafting of the initial Qwest test development document and provided advice and consultation to the WorldCom team that participated in the day to day testing activities. I have been involved in OSS proceedings throughout the country.
2. Qwest has applied for section 271 authorization while significant deficiencies exist in its OSS and while much about its OSS remains completely unknown. I agree with Qwest that it has worked with CLECs in the last two years to significantly improve its OSS and

to develop a third-party test of that OSS. Qwest should be complimented on its progress. But that does not mean that Qwest's OSS is ready.

3. The fact is that Qwest did not even begin making serious efforts to develop adequate OSS until several years after passage of the Telecommunications Act. It is also my understanding that until very recently, Qwest's prices for leasing UNEs were so high that competitors could not come close to making profits through local entry. As a result of these barriers to entry, Qwest is the last region of the country in which local competition has begun to develop.
4. To date, unlike in other regions in which BOCs have applied for section 271 entry, Qwest has very little commercial experience on which to rely that shows its OSS is ready, at least with respect to the unbundled network elements platform ("UNE-P"), the only entry vehicle that can today support broad-based entry for residential and small business markets. Neither of the two national CLECs that are using UNE-P as a primary entry strategy, WorldCom or AT&T, even entered the Qwest region until very recently. Other CLECs like Eschelon have used a special Qwest UNE-P like product whose ordering and provisioning rules may or may not mirror those of the true UNE-P product. And those CLECs ordered this product under special business rules and with special Qwest support.
5. WorldCom finally entered parts of the Qwest region in mid-April 2002 and began providing its Neighborhood product, a product that combines local and long distance service and specific features. It did so in partnership with Z-Tel, which is transmitting the orders via Z-Tel's OSS interfaces, interfaces that were constructed by Accenture. As of now, however, WorldCom is transmitting very few orders per week to Qwest through

Z-Tel's systems. In contrast, in individual *states* in other regions, WorldCom is transmitting 3,000 to 5,000 orders *per day*.

6. Qwest boasts that as of April 30, 20002, it had in service 3,902 UNE-P combinations in Montana, 19,937 in Utah, 47,961 in Washington and 27,024 in Wyoming. Qwest Comments at 17. This is a tiny number of customers that it has provisioned since it first began providing service. And many of these orders – perhaps most – were not placed via EDI, the only interface capable of supporting high volume entry. Indeed, Qwest's performance measures show that region-wide, Qwest received only 6,417 UNE-P orders via EDI in June, its highest volume month to date. (Performance Reports, PO-2A-2, 2A-1). This would be a paltry number of orders for one state much less an entire region and can hardly serve to show that Qwest's OSS is ready to serve commercial volumes of orders. Indeed, in its evaluation of Qwest's first section 271 application, the Department of Justice noted the low market penetration for residential UNE-P that "may reflect the higher UNE pricing that was in effect for most of the period preceding this application." DOJ Qwest I Eval. at 13.

7. In assessing, the readiness of Qwest's OSS, it is also important to remember that Qwest's OSS is not fully regional. Because the Qwest region is divided into three sub-regions, KPMG reported results for each of these sub-regions in the third party test. Colorado, Idaho, Montana, New Mexico, Utrah, and Wyoming are in the Central sub-region; Iowa, Minnesota, Nebraska, North Dakota, and south Dakota are in the Eastern sub-region, and Washington and Oregon are in the Western sub-region. Thus, even if Qwest had

significant commercial experience in one of its sub-regions, Qwest could not rely on that experience to show that its OSS is ready region wide.[1]

8. Moreover, Qwest has apparently inflated the number of UNE-P lines by including in its calculation a unique product called UNE-E that was developed for Eschelon, as well as other unique products developed for other carriers, as well as all the lines included in UNE-P Centrex orders. Eschelon submitted affidavits in a number of states describing its experience with UNE-E, but the states did not accept these affidavits. (The affidavits were submitted late because it was only late in the day that Eschelon was relieved from a secret deal it made with Qwest in which it had agreed not to describe its experience.) In these affidavits Eschelon indicated that Qwest unilaterally changed the reporting of UNE-E lines to UNE-P, thus inflating the number of UNE-P lines in its reporting. At the same time, however, Qwest did not capture in its performance measures the substantial problems Eschelon experienced on these UNE-E lines, including inaccurate provisioning, inaccurate wholesale bills and inaccurate daily usage feeds – all of which continue to be problems as discussed below. In any case, even with the inclusion of Eschelon lines and Centrex lines, Qwest has processed few UNE-P orders.

9. Because of the dearth of commercial experience, Qwest is forced to rely almost entirely on the third-party test to prove the readiness of its OSS. In contrast, in other regions, the BOC was always able to rely on commercial experience in at least one state in its region

[1] The Department of Justice indicates that Qwest's OSS is regional and can be evaluated on a regional basis. DOJ Qwest I Eval. at 6-7. But the third party test sent separate test transactions in each of Qwest's three sub-regions because it could not be presumed the OSS was identical throughout the region. KPMG's regionality study concluded there were differences between the three sub-regions and Qwest agreed with this. Moreover, Qwest has recently relied on differences in OSS between the three sub-regions to justify different performance. It has, for example, explained that it takes less time to update Customer Service Records in one of the three sub-regions than the others.

in conjunction with a third-party test. Because Qwest lacks such experience, the Commission should scrutinize the third-party test results very closely.

10. Close scrutiny reveals that Qwest's OSS is not ready. Unlike third-party tests in other regions, the third-party test here concluded while KPMG continued to deem Qwest's performance unsatisfactory with respect to a number of important issues. The third-party test also concluded with a number of important issues unresolved because Qwest unilaterally determined that certain issues should not be retested. On still other important issues, Qwest escaped a finding of unsatisfactory performance because KPMG did not pass judgment on so-called "diagnostic" test criteria. In contrast, in other regions, KPMG exercised its judgment to determine whether performance was satisfactory with regard to similar issues.. Those are hardly the kind of results that show Qwest's OSS to be fully ready.

11. Moreover, as with any third-party test, this one certainly did not ferret out all of the important deficiencies that exist. In particular, because the third-party testers followed Qwest's documented procedures and assessed Qwest's performance, they did not assess whether Qwest's procedures themselves were adequate. For example, they did not discuss Qwest's failure to offer important functionality to allow CLECs to submit migration orders by name and telephone number ("migrate by TN") without an address.

12. With WorldCom's recent entry into the Qwest region, it has begun more carefully evaluating Qwest's OSS than it did at a time when it was clear that entry in the Qwest region was prohibitively expensive and also foreclosed by clearly inadequate OSS. We have determined that a number of serious deficiencies exist with Qwest's OSS, deficiencies that were not discussed in the third-party test. It is likely that there are other

significant deficiencies that will be revealed as commercial experience grows, as has been the case in every other region.

13. But even at today's low order volumes, it is clear that Qwest's complex OSS processes force WorldCom to spend far more time to place an order in the Qwest region than elsewhere, requires more development resources, and leads to an extremely high reject rate.

14. In July (through July 12), Qwest has rejected 32.5% of WorldCom's orders region-wide. This is far higher than the reject rate in other regions in which WorldCom is offering its Neighborhood products in conjunction with Z-Tel. The average reject rate in those regions during the same period in July was 16.8%, approximately half the rate in the Qwest region. (The reject rates on orders submitted through WorldCom's legacy systems in these other regions was lower still.)[2] In the SWBT region, for example, the reject rate in July was 11.4% on WorldCom orders placed through Z-Tel, and in the BellSouth region it was 14.1%. In each of these regions, WorldCom first began submitting orders through the Z-Tel systems in April of this year, as it did in the Qwest region, thus the reject rates should be similar if Qwest's systems are comparable to those in other regions.

15. WorldCom's high reject rate in the Qwest region is not an abberation. It is similar to that of other carriers and to KPMG's experience during testing. Region-wide, Qwest rejected 34% of orders received via the IMA GUI in April and 31% of orders received via EDI. (Performance Reports, PO-4A-1, 4A-2, 4B-1, 4B-2). In May, Qwest rejected 35% of

1. As we explained in response to BellSouth's Georgia/Louisiana application last Fall, the reject rate on WorldCom's UNE-P migration orders placed through its legacy systems in Michigan from January through August 2001 was 10.6%, 11.6% in Illinois, 11.9% in Pennsylvania, 14.6% in Texas, and 17.9% in New York (where a systems problem temporarily increased the reject rate for three months significantly above normal levels). After BellSouth implemented migrate by telephone number, WorldCom's reject rate in BellSouth fell into line with those in other regions.

orders received via IMA and 30% received via EDI. In June, Qwest rejected 37.8% of the orders it received from all CLECs via the IMA GUI and rejected 32.3% of the orders it received via EDI. (Perf Reports, PO-4A-1, 4A-2, 4B-1, 4B-2).

16. Similarly, during the test, KPMG found reject levels of 33.6% in the Eastern region, 40.5% in the Central region, and 32.1% in the Western region – using interfaces that supposedly had been integrated. Because the level of rejects was considered a diagnostic measure, KPMG did not fail Qwest based on these reject levels. But these levels are staggeringly high.

17. The reason that reject rates are far higher in Qwest than elsewhere and that placement of orders is more complicated in Qwest than elsewhere is that critical OSS deficiencies exist in Qwest: (1) Qwest requires CLECs to perform an address validation function using the customer's full service address prior to pulling a Customer Service Record ("CSR"); (2) Qwest requires CLECs to place a service address on every order; (3) Qwest requires CLECs to place a special customer number ("cus code") on every order; (4) Qwest often returns multiple CSRs for a single customer; (5) Qwest requires CLECs to list the customer's pre-existing line class of service and some pre-existing features on every order; (6) and Qwest often takes more than a week to update a customer's CSR, and rejects supplemental orders until the CSR is updated.

18. Qwest must eliminate the cumbersome nature of its OSS and fix other OSS problems as well. Prior to gaining section 271 approval,

- Qwest must offer migration by name and telephone number

- Qwest must adopt the industry standard version of migrate-as-specified that allows CLECs to list only the features the customer desires from the CLEC, without reference to features and line class codes the customer previously had
- Qwest must update Customer Service Records more quickly
- Qwest must improve the intervals in which it provisions UNE-P orders
- Qwest must improve its flow-through performance
- Qwest must stop returning jeopardies or rejects that require CLECs to correct orders after Qwest has already transmitted a FOC
- Qwest must improve its performance in repairing lines
- Qwest must show that its new CABS BOS billing are accurate and formatted properly
- Qwest must make its test environment mirror its production environment

  Other BOCs that have received section 271 authorization have not had the same systems issues.

Complexity of Pre-Order and Order Processes

19. The pre-order/order process in Qwest is far more complicated than it is in other regions with respect to basic UNE-P migration orders. In every other region in the country, the CLEC customer service representative can initiate the pre-order process by typing the customer's telephone number into the Customer Service Record ("CSR") inquiry function. The representative can then use the CSR to confirm information discussed with the customer. The representative can then place the order based on the customer's name, telephone number, and the features the customer wishes to have with the CLEC. The representative does not need to include on the order any information about the customer's service address, retail features, retail line class of service, or customer code.

20. In the Qwest region, however, the process is far more complicated. A CLEC must first perform an address validation function before accessing the customer's CSR. Unlike in other regions, the CSR cannot be accessed simply with the customer's telephone number. The customer's full service address must be entered. Because customer service representatives sometimes err in typing addresses, however, and this could lead the representative to pull the wrong CSR, Qwest has told CLECs they should first perform an address validation function before even accessing the CSR. This is an extra step that CLECs do not have to perform for migration orders in other regions. Moreover, the address validation function also requires the typing of the full service address, rather than just the telephone number. In other regions, if a CLEC wishes to use the address validation function, an optional step, only the telephone number is required.
21. Once the customer service representative has typed the address into the address validation function, Qwest will often return multiple addresses. In some cases, the customer's prior addresses will be returned along with his current address. In other cases, the addresses of prior owners of the relevant telephone number will come up. And in still other cases the new addresses of former residents of the entered-address will appear. The customer service representative must then determine the proper address by discussing it with the customer and then pull that address to use in the CSR inquiry.
22. Once the customer service representative has determined the proper address, the representative then performs the CSR inquiry by using that address and the customer's telephone number. Unfortunately, despite requiring CLEC to include the address and telephone number as part of the CSR inquiry, Qwest frequently returns more than one CSR in response to the CSR inquiry. This can include CSRs that used to belong to the

customer, for example. It can also include CSRs of different customers – for reasons that WorldCom does not understand. It appears that Qwest's systems provide multiple CSRs approximately 10% of the time in response to a CSR inquiry.

23. The CLEC must then determine which is the correct CSR. Although there is an indicator on the CSR that says whether that particular CSR is "live" (working), this indicator is not always correct. WorldCom has found instances in which there is more than one CSR listed as live in response to a single CSR inquiry. The CLEC must therefore determine by asking the customer which CSR is correct. Like the steps involved in service address validation, this step adds time to the pre-order stage while the customer is on the line – decreasing the efficiency of the representative and potentially angering the customer.

24. At the moment, this last step is a theoretical one as far as WorldCom is concerned. Because WorldCom (and Z-Tel) had no reason to anticipate that Qwest would return multiple CSRs, the Z-Tel interfaces were not built with the capacity to pull multiple CSRs to the desktops of the WorldCom customer service representatives. For now, when there are multiple CSRs, the representative will get an error message in response to a CSR inquiry. The representative will have to attempt to complete the order based on information available to him from the customer, without access to the CSR, a process that very probably will result in a reject. Z-Tel hopes to complete development work that will allow multiple CSRs to be displayed on the desktops of WorldCom customer service representatives. But this is significant development work that should not have been required. No other ILEC returns multiple CSRs at the pre-order stage.

25. Once the representative finally has pulled the correct CSR, Qwest's ordering process remains cumbersome. Numerous pieces of information must be pulled from the CSR and

placed on the order. None of this information is required by any other BOC for a UNE-P migration order. First, the CLEC must place the complete service address on the order. Second, the CLEC must place the customer's existing line class of service on the order even though the customer will have a different line class of service with the CLEC. There are hundreds of possible line class of services in Qwest. Third, the CLEC must include on the order the customer's existing features if the customer wishes to keep those features as a CLEC customer. If, for example, the customer has caller ID and wishes to keep caller ID, the CLEC must list caller ID as a current feature and as a new feature, along with a code indicating the customer wishes to keep the feature the same. If the customer wants to add an entirely new feature, the CLEC must include a code indicating the feature is new. If the CLEC treats an existing feature as a new feature or a new feature as an already-existing one, the order will reject. Thus, the CLEC must determine which features are already on the account and place the proper codes on the order to show which of these features the customer wishes to keep and which new features he would like to add.

26. Fourth, the CLEC must place a "customer code" on each order. Apparently, Qwest assigns each retail customer a unique customer code and the CLEC must place this code on a migration order for it to be processed correctly. Again, this unnecessary piece of information must be retrieved from the CSR and any difficulty in transferring this information to the order (or any internal Qwest error in placing the code on the CSR) will lead to rejection of the order.

27. Each of these requirements is unique to Qwest. In other regions, CLECs do not have to retrieve a service address using the address validation function prior to entering an order.

If they do perform an address validation, they can do so using a telephone number without entering the address. When CLECs perform a CSR inquiry in other regions, only one CSR is retrieved. Moreover, integration of pre-order and order is much simpler because CLECs do not need to pull significant information from the CSR to place a basic migration order. They do not have to include a line class of service, or existing features, or the customer code on an order. They also do not need to include the service address. Thus, none of these pieces of information is a source of possible rejects. In the Qwest region, in contrast, the CLEC must either retype all of this information onto the order, an extremely cumbersome task that is fraught with the possibility of error, or must develop the software to take the features from the CSR and pre-populate them on the order. If the integration is not fully successful, the order will be rejected. If the information that the CLEC pulls from the CSR is incorrect, because Qwest has made mistakes in updating the CSR, the order will also be rejected.

28. The requirements in Qwest cause several difficulties for CLECs. First, they force CLEC customer service representatives to spend too much time on the line with customers. Performing an address validation function, choosing among multiple addresses, and potentially choosing among multiple CSRs while the customer is on the line adds significant time to the pre-order process. It is vital for CLECs in a mass market environment to be able to reduce the time that customer service representatives spend on the phone with each customer..

29. Second, the complexity of Qwest's systems adds significantly to CLEC development costs. The complexity has made it far more difficult to develop integrated pre-order and

order functions. It is also forcing Z-Tel to work with its vendors to develop a method of displaying multiple CSRs on the desktops of customer service representatives.

30. Third, the complexity is a direct cause of the high reject rate. If the CLEC does not choose the correct address through the address validation function or the correct CSR through the CSR inquiry, the order will reject. It also appears that Qwest will reject an order if the CLEC has not performed a required pre-order function, such as address validation, even if the CLEC places the proper information on the order. The need to include a service address, line class of services etc. also makes it much more difficult to integrate pre-order and order successfully.

31. In its test of a CLECs' capability to integrate pre-ordering and ordering interfaces in the Qwest region, Hewlett Packard ("HP") found hundreds of inconsistencies between pre-order and order requirements, including inconsistent business rules, inconsistent valid values and inconsistent data types. LN-OSS 12 at 9, 25-27.[3] HP also found other issues such as return of the Billing Section as a concatenated street field, LN-OSS 12 at 37, Qwest's failure even to return information at the pre-order stage for several industry standard fields, LN-OSS 11 at 39-40, 45-46, and 41 CSR related issues LN-OSS 12 at 37. Although HP concluded that these issues "are not critical enough to prevent an established CLEC, with a professional EDI development team, from being successful in its effort to build a PreOrder to Order integration system, HP concluded that such issues "could present a CLEC many challenges." LN-OSS 12 at 9, 25-27.

32. But there is no reason that Qwest should make integration so difficult. In constructing the interfaces used to place WorldCom/Z-Tel orders, Accenture did attempt to integrate

pre-order and order. But the complexity of Qwest's pre-order/order processes makes integration far more difficult than in other regions. The complexity of Universal Service Order Code and class of service information required for features has contributed to the high reject rates WorldCom is experiencing. As noted, WorldCom's reject rate remains more than 30%. The "successful integration" demanded by this Commission remains out of reach. GA/LA Order ¶ 119.

33. In its evaluation of the Qwest I application, the DOJ noted the high reject rate in the Qwest region, DOJ Qwest I Eval. at 14-15, but suggested the reject rate was similar to that which existed in BellSouth. DOJ Qwest I Eval. at 15 n. 61 (citing *Ga/La Order* App. B at 14-15). However, the BellSouth numbers actually show reject rates of between 12.75% and 14.33% on UNE-P mechanized orders in the last three months for which BellSouth provided data during its application. *Id*. BellSouth's reject rate for partially mechanized UNE-P orders was approximately equal to the rate of rejection in the Qwest region for overall UNE-P orders, including mechanized orders. Thus, the overall reject rate in BellSouth was much lower than the reject rate in Qwest. Moreover, in the BellSouth region, unlike the Qwest region, WorldCom's reject rate was similar to that WorldCom experienced in other regions by the time BellSouth filed the applications that ultimately received approval.

34. At least as important, Qwest cannot blame CLECs for the high reject rates that exist in the Qwest region. First, Hewlett Packard itself experienced very high reject rates during testing, demonstrating, at a minimum, that it is not easy even for an experienced IT team to develop interfaces with a low reject level. Second, the fact that WorldCom's reject

[3] All citations of the form LN-OSS xx are cites to the exhibits attached to the Nostriani/Doherty

rates are much higher in the Qwest region than elsewhere strongly suggest that Qwest is responsible. Third, as the DOJ noted, DOJ Qwest I Eval. at 16, the fundamental causes of high reject rates in the Qwest region were not present in prior applications: the requirement to include a service address on every order, the requirement to list a customer's existing features on every order, and the other systems issues discussed above. The DOJ did not resolve these issues, instead stating that it would evaluate the integration issues as relevant to the degree and adequacy of manual handling. DOJ Qwest I Eval. at 16. But in reality, the primary impact of high reject rates caused by Qwest's deficient OSS is on the CLECs' side of the interface. It is the CLEC that must spend time and effort attempting to correct the rejects and resubmit them. It is the CLECs' customers whose orders are delayed as a result.

35. In its Reply Comments in the Qwest I proceeding, Qwest suggests that some CLECs have managed to achieve relatively low reject rates. Qwest then provides reject rates for a few CLECs in individual states. But Qwest does not provide their overall reject rate region wide, does not say how many orders they have submitted, and does not say what type of orders they have submitted.

36. In *ex parte* filings on July 25 and July 26 concerning the Qwest I application, Qwest indicates that during the third-party test, Hewlett Packard managed to successfully integrate pre-order and order functions and that a CLEC called New Access did so commercially. But the reject rate Qwest provides in its *ex parte*, at least with respect to Hewlett Packard, and presumably with respect to New Access as well, pertains to fatal

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Declaration in Tab 10.

rejects only, not non-fatal error messages. As for fatal rejects, the *ex parte* actually shows a very high percentage of fatal rejects, which are ordinarily quite low.

37. Moreover, the total percentage of orders returned to Hewlett Packard for correction is provided in the test report and was well over 30% -- 33.6% in the Eastern region, 40.5% in the Central region, and 32.1% in the Western region, using interfaces that ostensibly had been integrated. Even if the errors did not result from integration issues per se, the complexity of Qwest's requirements surely contributed significantly. If Qwest did not require transmission of address information, for example, there would be no address errors. See,e.g., Ga/La Order ¶ 125.

38. As for New Access, I do not know how many orders New Access has placed or what its mix of orders is or what its reject rate is when non-fatal rejects are included. But it is likely that the order volume is low and that it includes resale orders rather than UNE-P orders. Moreover, New Access did not even complete integration until June, hardly sufficient time to evaluate reject rates.

39. Qwest also refers to letters of Telcordia and Nightfire claiming they have built integrated interfaces. But there is no evidence that any CLEC is using those interfaces successfully with a low reject rate.

40. Indeed, it is clear that for most CLECs the complexity of Qwest's systems continues to cause significant problems, resulting in very high average reject rates. The reject rate in the Qwest region is simply too high and there is no immediate prospect of any change.[4]

[4] The reject rate on supplemental orders WorldCom submits to correct rejects is also extremely high in the Qwest region, adding to the difficulty of serving customers. While the "re-reject" rate is high everywhere that WorldCom is submitting orders through Z-Tel systems, it is much higher in the Qwest region than elsewhere. In June, the "re-reject" rate was a staggering 77.8% in the Qwest region as compared with 54.7% on orders submitted through Z-Tel in other states.

41. Two key OSS changes would significantly reduce most of these problems. Qwest should enable CLECs to place orders based on customer name and telephone number – without the need for a service address or customer code. And Qwest should adopt the industry standard version of migration as specified – in which a CLEC need list only the features a customer desires in the future – without regard for whether the customer already has those features or the customer's existing line class of service. These changes would eliminate the need for a CLEC to perform an address validation on a UNE-P migration order, would make pre-order/order integration far simpler, and would significantly mitigate the harm caused by Qwest's return of multiple CSRs. (Of course, it would be better still if Qwest also cleaned up its databases and stopped returning multiple CSRs.)

42. Neither of the changes would require much effort from Qwest. Other BOCs were able to implement migration by name and telephone number (or a slightly different variant – migration by name and street number) quickly once they decided to do so. Verizon early on offered migration by name and telephone number. Similarly, when CLECs suggested during the Texas 271 process that migration by telephone number would be of significant assistance, SBC implemented this change relatively quickly. In approving SWBT's section 271 application in Texas, the FCC noted that this enhancement "provides assurances that carriers that have yet to attempt integration should be able to avoid the burden of receiving and processing a large number of address-related rejects." TX Order ¶ 160. Finally, BellSouth implemented migration by telephone number (and street address number) less than three months after being ordered to do so.

The week of July 7-12, the re-reject rate was 88.0% in the Qwest region compared with 60.1% elsewhere.

43. Other BOCs also have all implemented ordering processes that required CLECs to list only the customer's new features on migration orders – the industry standard version of "migrate as specified." They did so early in the process of OSS development. This should be particularly easy for Qwest, because it previously employed just this process. But in an anti-competitive move ostensibly designed somehow to help CLECs, Qwest subsequently adopted the much more complex ordering process it uses today.

44. Because it is critical that Qwest allow CLECs to migrate by TN and the industry standard version of "migrate as specified," WorldCom, and its partner Z-Tel, have submitted change requests for Qwest to implement this functionality. Although WorldCom did not submit these change request until recently, Qwest should long have been aware of their importance to CLECs. Migrate by TN functionality was discussed in this Commission's Texas Order ¶160, as well as its Georgia/Louisiana Order. And migrate as specified is the industry standard version of ordering employed by all other BOCs.

45. CLECs have now prioritized the industry standard version of migration as specified second in change management. They have prioritized migration by name and telephone nineteenth. In addition, CLECs prioritized third an AT&T request that would enable CLECs to retrieve CSRs without entering the customer's name and address. Each of these change requests is critical and must be implemented before Qwest gains section 271 authority.

46. But Qwest will not implement any of the prioritized changes until April 2003. Moreover, WorldCom's change request for migration by name and telephone number may well not make it into the April 2003 release and may be postponed until August 2003 or even later. Although CLECs prioritized the request quite high – nineteenth – there may be

insufficient release space in April for this change to make it into the release. Presumably, the reason that CLECs did not prioritize the change even higher is that many smaller CLECs primarily desired changes necessary to facilitate ordering via the IMA GUI, rather than EDI, especially since Qwest indicated that the migration by name and telephone number functionality would take significant release space.

47. This should not obviate the necessity for Qwest to implement migration by name and TN prior to gaining section 271 authority. The fact that there are also significant limitations in Qwest's IMA GUI that smaller CLECs want fixed (e.g., Eschelon Comments at 6-7 (discussing cumbersome nature of GUI) should not eliminate Qwest's obligation to make changes necessary for effective ordering by larger CLECs via EDI. At present, the complexities of Qwest's pre-order/order process deny such CLECs a meaningful opportunity to compete. CLECs must expend too many resources developing interfaces, talking on the phone with customers, and correcting rejects to be able to compete effectively.

Difficulties in Placing Orders for Account Maintenance

48. The complexity of Qwest's systems not only makes it difficult for CLECs to place initial orders. It also makes it difficult for CLECs to place orders to change features or perform other "account maintenance." A CLEC should not have to access Qwest's systems at all to place such orders because the customer's address information and other information has already been imported into the CLEC's systems. Nonetheless, Qwest forces CLECs to perform pre-order functions even on these "Move, Add, Change, Delete" or "MACD" orders.

49. When a customer migrates to a CLEC, Qwest changes the customer code for that customer. Thus, the customer code the CLEC obtained from the CSR when it submitted its initial order is not the proper customer code when the customer submits a MACD order. Even though the customer is now the CLEC's customer and the CLEC is maintaining its own records for the customer, the CLEC must access Qwest's systems and obtain the new customer code in order to place a MACD order. This adds significantly to the time and expense of placing such orders and to the development cost involved in placing such orders.

50. Moreover, Qwest rejects MACD orders if it has not yet updated the customer's CSR to reflect the fact that the customer is now owned by a CLEC. While other BOCs do this as well, the problem is much more acute in the Qwest region. Qwest has informed WorldCom that it normally takes 5-7 days to update a CSR and can take up to 30 days. That is far too long. Customers frequently request a feature change on their account soon after placing an order, as they change their minds as to what features they desire. CLECs need to be able to submit orders for such a change quickly after submitting the initial orders. WorldCom's reject rate on MACD orders is 29.0%; presumably, much of this is the result of BellSouth's failure to update the CSRs quickly enough. The reject rate should be much lower than on initial orders, because WorldCom has already obtained the customer's address and feature information and successfully submitted it to Qwest on its initial order.

51. AT&T submitted a change request to alter the time frame for updating the CSR to 24 hours. In other BOCs, it typically takes a day or two to update the CSR, not the 5-7 days

it takes in the Qwest region. Nonetheless, Qwest has indicated that it will not accept AT&T change request, meaning that this problem will continue.

Qwest Installation Interval Is Too Long

52. Once CLECs have surmounted the hurdles of Qwest's ordering process, Qwest takes far too long to provision basic orders. A UNE-P order should be completed on the same day that it is sent since all that is involved is a software change. In other regions, the benchmark for UNE-P migration orders is in before 3:00 p.m., completed that same day.

53. But in the Qwest region, unlike other regions, the shortest interval that CLECs can request on a UNE-P migration is three days if the customer is changing any features. This is so even though no dispatch is required on such orders and all that is involved is a translation at the switch. All of WorldCom's Neighborhood Orders involve a feature change; thus, all are subject to the 3 day interval. As I already noted, in other regions, all UNE-P migrations have a 1 day interval

54. During testing, KPMG found that Qwest's performance in installing UNE-P orders was out of parity with its retail performance. KPMG found that Qwest did not install non-dispatch orders for the Pseudo CLEC within a time period in parity with Qwest's retail operations for UNE-P services, Final Test 14-1-36, or business POTS services. Final Test 14-1-34. (Exception 3086 Closed/Unresolved and Exception 3120). Qwest failed both the original test and retests. But the fact is the retail comparison is not what is critical. There is no clear retail analog for a UNE-P migration order except perhaps for a feature change. (It is not clear from Qwest's PIDs, what it is using as a basis for a retail comparison.) What is critical is that Qwest install UNE-P orders quickly.

55. It has long been clear that rapid installation of basic orders is critical to a CLEC's ability to compete effectively. Qwest has not yet shown that it can provide CLECs the ability to offer rapid installation to their customers.

56. Qwest's failure to provision UNE-P orders in a timely manner also emphasizes the importance of improved flow through. It is quite likely that the reason Qwest sets a 3 day interval for UNE-P migration orders is that it manually processes too many of those orders. It is inexplicable that a flow through UNE-P order would take several days to provision. But whatever the cause, it is clear that processing of UNE-P migrations takes far too long.

Qwest Manually Processes Too Many Orders

57. Qwest has not shown that it is capable of processing a high percentage of orders without manual intervention. Nor has Qwest shown that it is capable of effectively processing a high volume with current levels of manual intervention.

58. During the third-party test, flow-through was considered a diagnostic measure only. Thus KPMG did not reach a conclusion as to whether Qwest's flow-through performance was adequate. But KPMG did find a high level of manual handling in Qwest. In particular, KPMG found that only 51.86% of 3,650 order transactions submitted via EDI flow through to the service order processor. Final Test, 13-1-2. (Similarly, only 50.45% of the 331 order transactions submitted via the GUI flowed through to the service order processor).

59. Although Qwest's performance was better for orders designed to flow through, even for these orders, a significant percentage fell out for manual handling during the test -- in contrast to tests in other regions where flow through in such instances was very close to

100%. (KPMG found that more than 15% of UNE-L transactions and more than 5% of UNE-P transactions failed to flow through. Final Test, 13-1-4, 13-1-5. KPMG also found that flow-through eligible transactions are not always processed in accord with documented flow through rules. Final Test, 13.-1-9, 13-1-10.. More important, KPMG did not evaluate what explained the different results between overall flow through and achieved flow through (flow through of orders designed to flow through).

60. It may be that in the overall flow through test, some orders designed to flow through did not do so. Or it may be that the low overall flow through rate was caused by Qwest's failure to design key order types to flow through. For example, *no* supplemental orders to change due dates or features flow through even though such orders are very common. Many cancellation requests do not flow through. Conversions with voice mail rollover, or with telephone number changes (in the Central and Western regions) do not flow through. CLEC to CLEC migrations do not flow through. And it is likely that many other key order types do not flow through, as has become apparent in production in other regions once commercial volumes grew. What is clear, however, is that a 52% flow through rate for EDI orders is far too low.

61. Qwest's commercial experience is even worse than the test results. In April 2002, Qwest flowed through only 57.16% *of UNE-P orders* received via IMA and 53.10% received via EDI region wide (PO-2A-1, PO-2A-2). In May, the numbers were 54.04% for IMA and 67.34% for EDI. In June, only 50.9% of UNE-P orders submitted via EDI flowed through (Performance Results (PO-2A-2)). Moreover, flow-through performance is poor for every CLEC that is submitting a high number of orders. Although Qwest boasts of the high flow-through rates achieved by some CLECs, the highest flow through

percentage for any CLEC that had submitted at least 5,000 LSRs was 76.24% -- not a very high flow through rate for the very best CLEC. July 12 *ex parte* in Qwest I.

62. It is not clear why any significant fraction of UNE-P orders should not flow through. In any event, even with respect to what Qwest considers flow through of eligible LSRs, Qwest's performance was extremely poor. Only 87.11% of eligible LSRs for UNE-P received via IMA flowed through in April and only *81.53%* of eligible orders received via EDI. In May, the numbers were 88.79% for IMA and 85.96% for EDI. In June, only 86.5% even of eligible UNE-P orders flowed through via EDI (Performance Results (PO-2B-2)). And these were orders ostensibly designed to flow through. Although these flow through rates for eligible orders met the very low benchmark that currently exists, they will not meet the still-relatively low benchmark of 90% that will go into effect in July.

63. Qwest's poor flow through performance is almost certain to cause significant problems. Qwest does not have sufficient commercial experience to demonstrate that it is capable of manually processing a high volume of orders. Unlike in other regions, Qwest has not shown that it can process orders manually without difficulty as ordering volumes increase significantly. Indeed, Qwest has not even shown it can do so with low order volumes.

64. The test shows that Qwest's manual processing is far from adequate. KPMG determined that Qwest lacks defined, documented procedures that it adheres to for the processing of orders that do not flow through. Final Test 12.8-2 (due to Observation 3110). As part of a retest of Exception 3120 involving integrity issues with data used for performance measures, KPMG determined that 8 orders unexpectedly fell out for manual handling which should have flowed through. KPMG also looked at a larger data set. KPMG found that 7 of 49 orders that fell out for manual handling were processed incorrectly

resulting in errors that could result in miscalculation of performance measures. Observation 3110. While Qwest suggests that KPMG's finding of seven errors out of 49 orders is a "small level of errors," Notarianni & Doherty Decl. ¶ 331, this error rate is extremely high.

65. Indeed, KPMG found the error rate unacceptable. During the course of evaluating whether Qwest produced measures of pre-order/order performance were consistent with KPMG measures, Final Test 12-11-4, KPMG explained that "[d]ue to human error issues identified in Exception 3120 and Observation 3110 regarding manual processing of data intended for use in PID reporting, KPMG Consulting identified a need for additional retesting. Without further retesting specifically designed to assess the impact of human error on the accuracy of Qwest's PID reporting, KPMG Consulting is unable to conclude that Qwest satisfied this evaluation criterion." Final Test 12-11-4. KPMG reached the same conclusion in evaluating whether Qwest-produced measures of ordering and provisioning results are consistent with KPMG produced measures. Final Test 14-1-44. And in the course of closing Observation 3110 without resolution, KPMG similarly affirmed that the only way to properly address the observation was to conduct a retest that focuses on orders that drop out for manual handling and their impact on performance reporting. Qwest, however, elected not to conduct a retest.

66. Human errors such as the ones found by KPMG would obviously significantly impact the accuracy of performance measures. If Qwest records show that it received an order far later than it actually did receive the order, for example, this would reduce the time Qwest reports for return of notifiers, completion of the order etc. Nonetheless, Qwest elected not to retest its performance on these test criteria.

67. In addition to affecting performance measures, manual processing almost certainly also leads to provisioning errors. Although KPMG eventually conducted retests in which it deemed Qwest's provisioning accuracy acceptable, on several initial tests it found substantial errors. (Final Test 14-1-12 and 14-1-3 to 5). Qwest's ability eventually to pass a retest does not show that it can consistently provision orders accurately – especially in the absence of commercial evidence that Qwest can do so.

68. Thus, as the Department of Justice notes, KPMG found significant errors during testing. DOJ Qwest I Eval. at 20-21. The Department of Justice further concludes that the data that Qwest submitted to show it processes service orders accurately was limited to analysis of a single field (the APP date field). DOJ Qwest I Eval. at 22 n. 97. Qwest subsequently submitted one month of data regarding service order accuracy, but that data actually shows very poor performance – a nearly 10% error rate on POTS resale and UNE-P orders (Perf. Results (PO-20)). This is so even though the measure is currently under development and does not yet include an evaluation of the key fields related to provisioning of features. At present, as calculated by Qwest, the measure only includes 12 fields that are mostly related to the service address. The error rate would likely be much higher if all the fields were included. Even if the results were far better and the measure much more comprehensive, one month of data based on today's very limited order volume would show very little – especially since no one has audited these performance results.

69. In addition, Qwest itself has acknowledged significant manual errors historically. For example, Qwest's own data show that a high percentage of manually processed LSRs are immediately rejected by the Service Delivery Coordinators, indicating a high level of

manual errors. July 12 *ex parte.*[5] Qwest also states that "Liberty's aggregate results demonstrate that 6% of historic unbundled loop orders contain human error" although Qwest states that the errors did not harm CLECs. Qwest July 10 *ex parte* letter, Tab 5. The percentage of manually processed loop orders with errors is presumably much higher than the percentage of all loops with errors. And whether or not these particular errors harmed CLECs, the existence of such a high number of manual errors makes harm to CLECs inevitable. Especially in the absence of reliable, long term, audited data on service order accuracy, there is no basis for concluding that Qwest can perform acceptably with existing levels of manual processing. Certainly, there is no evidence that Qwest can do so with commercial volumes of orders.

70. In addition to provisioning errors and performance reporting errors, it is likely that manual processing led to long intervals for provisioning of orders, as I have discussed above. Qwest's poor flow through performance is thus associated with poor performance in other areas. Its flow through performance must improve.

Order Status Notices

71. As Qwest properly acknowledges, it is vital that an ILEC transmit timely and accurate order notices to CLECs, including firm order confirmations, rejects, jeopardies and completion notices. Qwest is not yet doing so.

Qwest Transmits Jeopardies Requiring Supplementation After FOCs

72. When Qwest rejects an order and requires the CLEC to supplement the order to correct it, Qwest sometimes does so by transmitting a jeopardy notice rather than a reject notice.

[5] Qwest states that its internal data show that it is rare that it manually rejects orders and subsequently issues FOCs. But that is completely meaningless. Even if Qwest rejected an order

WorldCom continues to receive a substantial number of jeopardies that require it to send supplements before Qwest will complete the order. Of the 4028 orders that WorldCom had submitted that had received FOCs as of June 12, WorldCom received 39 jeopardies that required submission of supplements to correct the orders.

73. This is an entirely improper use of a jeopardy notice. A jeopardy is supposed to inform the CLEC that the date for completing the order has changed from what the ILEC originally promised on the FOC. Instead, Qwest is transmitting jeopardies that, for example, inform the CLEC that the address on the order is invalid. An order with an invalid address should be rejected; Qwest should not send a FOC on such an order and then later send a jeopardy showing that the original order was unacceptable. The whole purpose of the FOC is to inform the CLEC that the order is acceptable and will be completed on a certain date.

74. That is why HP originally opened an exception during the test based on Qwest's transmission of rejects after FOCs. Exception 2030, 2031; Test Report Table 12-17. Once a FOC has been transmitted, Qwest should not be sending any order status notice that requires additional work by the CLEC. It should either be sending a jeopardy informing the CLEC that Qwest cannot meet the intended due date or it should be sending a completion notice stating that the order has been completed. It should not be sending either a reject or a jeopardy requiring a supplemental order from the CLEC.

75. Apparently, Qwest's response to HP's exception was to convert the rejects after FOCs into jeopardies after FOCs. Obviously, that does not solve the problem.

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erroneously, it is rare that it would subsequently issue a FOC without the order being supplemented by the CLEC.

76. Transmission of a jeopardy instead of a reject creates substantial difficulty for the CLECs. Z-Tel's systems, for example, were set up based on the premise that rejected orders would have to be corrected, but not jeopardies. They were also set up based on the premise that receipt of a FOC means that the order has been accepted. In order to evaluate jeopardies to determine whether correction of the original order is required, Z-Tel has had to modify its systems. This not only creates unnecessary costs in modifying the systems but causes significant difficulty in tracking order status, as Z-Tel in effect must internally change the jeopardies into rejects to know that it may need to supplement the orders. Moreover, because only some jeopardies require supplemental orders, WorldCom must manually check each jeopardy to see if a supplemental order is required. Further complications are created by the fact that if a CLEC has not corrected an order within 4 hours after a receipt of either a jeopardy or a reject, Qwest will then send a second order status message rejecting the order – leading to duplicative messages in the CLEC systems that must be sorted out.

77. In an *ex parte* filing in the Qwest I proceeding, Qwest attempts to justify transmission of jeopardies after FOCs. Qwest July 10 *ex* parte letter, Tab 6. But most of the reasons Qwest lists explain why Qwest would submit a real jeopardy after a FOC, not why it would transmit a jeopardy that is actually a reject. For example, Qwest says that it will transmit a jeopardy as a result of a customer-caused delay. That is indeed perfectly appropriate, but is irrelevant to the issue at hand since this is not a jeopardy that should be a reject. Qwest does acknowledge that one of the reasons it transmits jeopardies after FOCs is that "[t]he CLEC LSR is not complete and accurate. The Qwest center overlooks the error prior to creating service orders and issuing the FOC. The error is then

detected in provisioning. For example, the CLEC has omitted supplemental address information that is required." *Id*. Indeed, it was for just this type of reason that WorldCom received jeopardies after FOCs. But errors such as address errors should be found before a FOC is transmitted, not afterwards. And a reject, not a jeopardy, should be transmitted for such errors.

78. In its reply comments in the Qwest I proceedings, Qwest appears to acknowledge that Qwest representatives failed to recognize errors on WorldCom orders (submitted by Z-Tel) and submitted them to Qwest's downstream systems with errors included. The errors were later discovered, resulting in transmission of jeopardies. Notariannia & Doherty Qwest I Reply Decl. ¶ 129. Qwest says that its reps were inadequately trained on the version of EDI that WorldCom/Z-Tel were using and that the problem should be resolved when Z-Tel moves to a new version of EDI. But the problem is a process that relies on too much manual handling and that places systems edits at a point in the process after a FOC has already been transmitted.

Qwest Fails To Transmit All Jeopardies

79. In addition to the problem caused by Qwest's transmission of jeopardies when it should not be sending jeopardies, Qwest sometimes fails to submit jeopardies when it should. A jeopardy notification is used to inform the CLEC that the BOC will not complete the order on the date it had promised. Such notification is vital, because the CLEC needs to be able to notify its customer that service will not be turned up on the promised date. SC Order ¶¶ 115, 130.

80. In contrast to BellSouth, Ga/La Order ¶ 156, KPMG found Qwest's ability to provide timely jeopardy notices for resale and for UNE-P to be unsatisfactory. Final Test, 12-9-4,

12-9-5. When KPMG transmitted orders that should have received jeopardies, Qwest did not send the jeopardies at all. Qwest failed to transmit eight jeopardies on resale orders and 11 jeopardies on UNE-P orders. Moreover, because Qwest did not send the jeopardies at all and did not send any other jeopardies during the evaluation period, KPMG was unable to evaluate the timeliness of jeopardy notifications. It could not determine whether Qwest provides jeopardy notices in advance of the due date for resale and for UNE-P as required by PID PO-8. 12-9-1, 12-9-2.

81. Although Qwest touts its commercial experience in providing jeopardies, Notarianni & Doherty Decl. ¶ 282, there has been far too little data to determine if Qwest's performance is adequate. For one thing, if Qwest fails to transmit a jeopardy at all, this would not be captured by the performance measures. For another, Qwest has very little data in the states in which it does report its performance. Region-wide, Qwest claims that it transmitted only 44 jeopardies on UNE-P orders in April and 28 in May, although this is difficult to believe given WorldCom's experience with jeopardies after FOCs. (Performance Measures, PO-8D). Moreover, Qwest's performance for CLECs has been consistently somewhat worse than performance for itself – even assuming that its retail performance is an appropriate measure of parity – and its actual performance results show only 14.29% of CLEC jeopardies returned on time in April and 17.39% in May, hardly performance about which to boast. Qwest's regional performance remained poor in June. (Perf Results (PO-8D)).

82. Thus, there is simply no basis from which to now conclude that Qwest does an acceptable job in transmitting jeopardy notifications.

<u>Qwest Fails To Show It Can Identify More Than One Error at a Time.</u>

83. KPMG did not even attempt to evaluate Qwest's ability to process orders with multiple errors. In production, CLEC sometimes transmit Local Service Requests ("LSRs") with several errors. It is important that when LSRs are returned to the CLEC as rejects, that multiple errors be identified. Handling errors one at a time wastes time and delays processing of the orders. Yet Qwest's ability to identify multiple errors was not tested (with the very limited exception that occurred when the provisioning CLEC accidentally transmitted an LSR with more than one error).

Qwest May Return Completion Notices Even When Orders Have Not Been Completed

84. Qwest's entire process for returning completion notices may be flawed. WorldCom determined that on some DSL orders, Qwest was returning completion notices even when the orders had not been completed. In response to a question from WorldCom, Qwest's answer suggested that this problem may extend to UNE-P. Qwest transmits a work completion notice when the service orders it creates in its back-end have completed. But it appears that the service orders can complete even when provisioning has not been completed. Qwest has said that it "auto-completes" the service orders each day. Such auto-completion may generate a completion notice even if required work has not been performed – such as field work or central office work on a new installation. WorldCom is asking Qwest further questions about its processes.

Maintenance and Repair

85. The third-party test revealed substantial deficiencies in Qwest's performance in repairing troubles on CLEC lines. Once again, however, the test ended before all of these deficiencies had been corrected.

86. Most important, KPMG determined that Qwest's performance in repairing troubles was unsatisfactory. Final Test 18-7-1 (due to closed/unresolved on Exception 3058). KPMG was able directly to observe whether troubles were fixed and concluded that Qwest was only able to fix 92% of troubles on the first try. This is a very poor record and has a substantial impact on customers. Failure to repair troubles also harms CLECs by causing extreme dissatisfaction from customers.

87. Although Qwest indicates that it is performing acceptably on the PID for repeat troubles within 30 days, Notarianni & Doherty Decl. ¶ 461, as KPMG explained at the June 20 ROC meeting with Commission staff, that is a second best measure that depends on reported troubles. KPMG was able to directly evaluate whether troubles were fixed on the first try and found that far too many were not. Yet Qwest has not taken any steps to address this problem. And KPMG did not conduct a retest. Without a retest, there is no basis to conclude that KPMG's repair rate is acceptable.

88. This is especially so because Qwest's performance reports do not in fact demonstrate pristine performance. Amazingly, when no dispatch was required, the repeat trouble rate on CLEC UNE-P customers region-wide was more than 20% in February and April, more than 17% in March, more than 15% in May, and more than 16% in June. (Performance Results (MR-7C)). Region-wide, Qwest's performance on this measure has been out of parity for each of the last 12 months. (Performance Measures, MR-7C) Qwest's performance was out of parity in Utah in three of the last four months, and two of four months in Washington. Qwest Comments at 46, 49. Although Qwest claims its performance was better when reports are excluded in which Qwest found no trouble, Qwest Comments at 46, 49 that is not the agreed upon measure. Qwest's determination

that there was no trouble on the line does not mean there was no trouble. Moreover, it is not clear that Qwest's unilateral exclusion applied to both retail and wholesale customers. In any event, repeat troubles have more impact on CLECs than on Qwest, as CLECs are for the first time trying to establish a reliable reputation in the market.

Billing

89. Until July 1, Qwest did not provide electronic CABS BOS billing for wholesale charges. CABS BOS is the industry standard billing format and is used by every other RBOC. Qwest instead has provided CRIS bills, which is the format used to provide retail bills. Pennsylvania Order ¶¶ 178-18. Although Qwest on July 1 announced that CABS BOS bills are now available, there has been no third party test of those bills and no experience to show those bills are ready. The Department of Justice properly emphasized that the CABS BOS bills for which BellSouth provided a test file on July 1 have been implemented too recently to enable BellSouth to use them as a basis to claim it has auditable electronic bills. DOJ Qwest I Eval. at 23.

90. Use of CRIS bills has required WorldCom to design unique billing systems. This is particularly difficult because CRIS varies tremendously from ILEC to ILEC and even across states within an ILEC. Qwest has three different billing centers that provide WorldCom with CRIS bills just in the states WorldCom has already entered. Each of these has different levels of detail on its bills. The ILECs also may change the format of CRIS without prior notification; whereas, the industry has two CABS releases per year, with a standard notification process. WorldCom has also faced data mapping issues with Qwest bills, such as transmission of duplicative detail information for directory assistance

and expanded area service, and transmission of consolidated summary information and detail information in two separate files that have to be combined in order to balance the summary and detail information.

91. Moreover, the CABS BOS format is needed to ensure that CLECs can effectively audit their bills. Not only does the non-standard nature of CRIS make auditing difficult, but the CRIS bills also lack necessary detail information. The ability to audit monthly recurring bills is completely dependent on the receipt of USOC level detail on the bills. Yet of the three Qwest billing centers, only one can send the complete USOC detail on CRIS bills. The second can send some limited USOC detail, and the third an send no USOC detail at all. Other important details are not included either. Service Address and Adjustment detail are not sent by any of the Qwest billing centers.

92. Qwest says that its CRIS bills are auditable. Qwest states that its CRIS bills provide individual bill detail for each end-users' account, as well as summary information. Qwest July 10 *ex parte* letter, Tab 1 at 2-3. But read carefully, Qwest does not say that its CRIS bills contain the USOCs for recurring charges that Qwest itself acknowledges are "important for bill validation." *Id*. at 4. Qwest says that these are provided on the BOS bills but not on the CRIS bills. Qwest also does not dispute that it fails to provide service address and adjustment detail on the CRIS bills. Without the USOCs and other detail information, electronic auditing cannot be complete. Moreover, the non-standard nature of CRIS causes significant problems especially since Qwest's CRIS bills vary in each of its three regional centers.

93. Every other ILEC provides wholesale bills in CABS format. Yet Qwest did not do so until July 1 even though AT&T has been requesting CABS billing from Qwest since

1996 and WorldCom has been requesting CABS as well. AT&T submitted a change request for CABS billing on September 6, 2001.

94. Because of Qwest's delay, there will be no way to know whether Qwest's deployment of CABS has been successful in time for the Commission to rule on Qwest's section 271 application. As this Commission is well aware from its discussion of billing problems that arose in Pennsylvania, successful deployment of CABS BOS billing can take many months. Pennsylvania Order ¶ 19.

95. It is particularly important that Qwest provide accurate, auditable CABS BOS bills since even with the limited auditing WorldCom has been able to conduct to date, it has hundreds of thousands of outstanding billing disputes open with Qwest. KPMG also found numerous errors on bills. 20.7-1-3. Although the last bill it received was correct, KPMG was unable to conclude that Qwest has in place an internal process for validating bill accuracy. KPMG was unable to determine whether Qwest complied with cycle balancing procedures to resolve out-of-balance conditions (Final Test 20.7-1-3) *or* whether Qwest had sufficient reasonability checks to identify errors not susceptible to pre-determined balancing procedures. Final Test 20.7-1-4. KPMG was also unable to determine whether Qwest had procedures to ensure that payments and adjustments are applied when errors are identified (Final Test 20.7-1-5). And KPMG was unable to determine whether Qwest ensures that bills are retained for a sufficient length of time so that CLECs can challenge them. (Final Test 20.7-1-9). Because Qwest has not shown that it has processes in place to ensure it produces accurate bills, Qwest's present failure to provide auditable bills in CABS BOS format is an especially severe deficiency.

Change Management

96. Qwest recently implemented a new change management process. Much of that process was not put in place until April 2002. That process has not yet been tested. Thus, even though the process has been significantly improved, there is no way yet to know that it works. Qwest has not yet "demonstrated a pattern of compliance with this plan." Ga/La Order ¶ 179.

97. The ROC test did not determine that Qwest's change management process was adequate. Indeed, the change management process was still being designed at the time that KPMG performed its testing. As a result, of the 18 change management components that KPMG did test, it was unable to determine compliance for 7 of them. It was unable to determine whether procedures and systems are in place to track descriptions of proposed changes, key notification dates and changes in status (Final Test 23-1-7, 23-2-7); whether criteria were defined for the prioritization process and for coding the severity of defects (Final Test 23-1-8. 23-2-8), whether Qwest complies with notification intervals and documentation release requirements (Final Test 23-1-9. 23-2-9), and whether the change management process as a whole is in place and documented (Final Test 23-2-2).

98. Qwest's ability to adhere to its new process and, for example, transmit documentation sufficiently in advance of a release and implement a release with few defects, is questionable in light of Qwest's prior failure to adhere to its change management process. KPMG closed/unresolved E3094 on the basis that Qwest originally did not adhere to its established change management process for notifying CLECs about a proposed process change, and allowing input from all interested parties, and that there had been no final adoption of a new process so no chance to observe whether the ad hoc process agreed upon would work (related to Final Test criteria 23-2, 23-3, 23-8). KPMG also

closed/inconclusive E3110 because it could not yet determine whether Qwest adhered to its new process for tracking and verifying adherence to the documentation release intervals (related to Final Test criteria 23-7 and 23-9). KPMG closed as inconclusive Exception 3111 because, while Qwest had agreed to a new process for prioritizing changes, there are several areas where the new prioritization and packaging process was either not completely established prior to Release 10.0. the last release observed by KPMG, and other areas in which it was not followed (related to Final Test criteria 23-3, 23-8). Finally, KPMG closed as inconclusive Test Criterion 23-9, noting that Qwest had failed in some instances to comply with intervals for providing documentation and KPMG had not been able to observe whether Qwest complied with newly adopted intervals.

99. Cap Gemini Ernst & Young's review of Qwest's new change management process in Arizona also found that Qwest had not yet demonstrated a pattern of compliance on some key aspects of change management even though Cap Gemini ultimately passed Qwest with respect to change management. CGE&Y noted, for example, that Qwest had made process changes to address issues concerning prioritization of change requests, the length of time for a request even to make it to the prioritization stage, and the length of time in advance by which documentation would be released. But CGE&Y also noted that there appeared to be some issues with implementation of these new processes in limited observations and that in one case CGE&Y had not had any chance to observe compliance not yet demonstrated a pattern of compliance. Ex. DLF-CMP-8 at 42 (attached to Change Mangement Declaration). In addition, the Joint CLEC Brief Regarding Qwest's Change Management Process, which is attached to Ex. DLF-CMP-10 in Qwest's, Qwest I filing,

provides recent examples of non-compliance with the new change management procedures.

100. Of particular concern as we move forward is whether Qwest is able to implement important CLEC-prioritized changes. Given Qwest's current schedule of 3 major releases per year, and the rate at which it implements prioritized changes in each release, it appears that Qwest will ever implement only about 50% of prioritized changes. If so, this will be a real problem, as WorldCom has explained at length during the BellSouth Georgia/Louisiana proceedings.

101. Qwest has made important progress in moving towards an acceptable change management process. But it is not yet known that Qwest will implement that process successfully.

Qwest Lacks an Independent Test Environment

102. Qwest does not have an independent test environment that mirrors production. As the Commission recently explained, "[a] stable testing environment that mirrors the production environment and is physically separate from it is a fundamental part of a change management process ensuring that competing carriers are capable of interacting smoothly and effectively with a BOC's OSS, especially in adapting to interface upgrades." Ga/La Order ¶187.

103. Qwest's original test environment, the Interoperability environment, is not a physically separate environment. Rather it is simply the production environment with special flags for test orders, as KPMG explained in the June 20 ROC meeting with staff. In KPMG's view as expressed in the meeting, Interoperability therefore fails one of the primary criterion for a test environment. There is a significant risk that test orders and

production orders will become intermingled in this environment. HP explained that Qwest informed it that it "has not yet developed the means to ensure that test transactions executed in interoperability will not impact live accounts. . . . Qwest's concern is reasonable, as HP has experienced adverse impacts to live accounts when utilizing Qwest's Interoperability Testing process." LN OSS-83 at 7.

104. Moreover, CLECs can only test in Interoperability if they have real customers who allow them to submit test orders. They cannot use special test accounts as they need to do when testing a new version of an interface. As HP explained, Interoperability Testing "requires that the CLECs use valid account data of live customers for testing purposes, since all transactions are edited against production and legacy systems. This practice is costly, time consuming, and inconvenient for both CLECs and their customers. HP also observed instances in which customer accounts were inadvertently changed." LN- OSS-83 at 6-7.

105. In addition, post-order responses in the Interoperability Environment are generated by Qwest technical personnel. In this important sense, despite overlapping significantly with the production environment, Interoperability is substantially different from production and does not provide an adequate test of what CLECs can expect from production.

106. Qwest's new environment, SATE, although independent, is also currently inadequate. SATE does not mirror production, as KPMG found. Exception 3095, 3077 (related to test criteria 24.6-1-8). KPMG's first criticism focused on the fact that SATE does not enable CLECs to test all products that Qwest offers. Exception 3095. Although Qwest claims that this was the choice of CLECs, that is so only because the alternative

presented by Qwest was even worse. Qwest presented CLECs with the choice either of limiting the functionality included in SATE or of foregoing development of other functionality important to CLECs. In Exception 3095, KPMG found Qwest's response regarding prioritization to be inadequate. Moreover, even Qwest acknowledges that CLECs placed high priority on inclusion of some additional products to SATE, Notarianni & Doherty Decl. ¶¶ 757-58. In particular, CLECs submitted change requests asking that 10 additional products be coded into SATE, yet Qwest has yet to include those products. Some of these change requests have been outstanding for 7 months or more.

107. More important, however, even for those products that CLECs can test, SATE does not match production – despite Qwest's assertions to the contrary in the June 20 meeting with staff. KPMG noted that the response times in SATE do not match production, that the detail received on a production response such as a FOC or a completion notice may not match production, which "is another indication that the testing environment does not provide CLECs with an accurate depiction of production capabilities," that SATE also fails to mirror production because it does not transmit the transaction response expected in the real world and CLECs must select predetermined paths in order to receive responses automatically, and that the data in SATE do not match data in production. Exception 3077 2nd Supplemental Recommendation 4/3/2002 (related to Final Test criterion 24.6-1-8). In its final disposition report for Exception 3077, KPMG specifically concluded that the "data contained within the order responses is not consistent, and may not mirror the data that would be found in production responses." Exception 3077 Disposition Report. KPMG added that even where Qwest

had documented the differences between SATE and production, "documentation of known differences does not substitute for a test environment that mirrors the transactional behavior of the production environment."

108. Unlike KPMG, HP ultimately concluded in Arizona that SATE was adequate. Nonetheless, it found "noteworthy discrepancies related to business rules consistency between the SATE and production systems." LN OSS-83 at 9. Indeed, HP's evaluation resulted in a number of negative or inconclusive findings. For example, HP issued negative or inconclusive findings because SATE did not satisfactorily capture errors caused by data entry mistakes, did not employ business rule edits provided in the documentation, did not provide the error messages expected in production, had a significant variance from expected production responses, and did not successfully update all expected error messages with introduction of a new release. LN OSS-83 at 34-42. HP also found that "much of the documentation . . .was newly developed and required additional support from Qwest SATE personnel to allow HP to properly use the SATE environment. SATE documentation contained numerous minor inaccuracies that HP believes are the result of hasty preparation and poor version control." LN OSS-83 at 15, 20-21.

109. CLEC experience also demonstrates that SATE does not mirror production. For example, in SATE, when a pre-order inquiry is sent that contains a thoroughfare such as "DRIVE" and the proper designation is "DR," Qwest will respond that there is no match. In production, however, Qwest will respond that there is a near match or an exact match. E-mail from Mark Powell of Accenture, 5/9/2002. When Accenture, which designed the software for Z-Tel, pointed this out to Qwest, Qwest responded, "[a]t this point we do not

have the ability to support this level of comparison logic in SATE. Our production backend systems do. We are currently investigating some different options. The answer to Mike's question is that behavior is specific to SATE and you should not expect to see this in production." E-mail from Michael McCallister, 5/14/2002.

110. Similarly, Qwest here acknowledges there are differences between SATE and the production environment. It states that "all *known* differences between production and SATE are noted, published, and discussed with CLECs." Qwest Comments at 149. It also acknowledges that error messages are different in SATE and production. *Id*.

111. In its *ex parte* filings in the Qwest I proceeding, Qwest acknowledges an approximately 22% variance in the error messages coded into SATE with those in production. July 15 *ex parte* at 2. Qwest includes a long list of error responses that differ between SATE and production. Qwest July 10 *ex parte* letter, at Tab 14. Among the error messages missing in SATE are common errors such as "No exact match was found for the address provided….Multiple addresses were found for the address"; "Unable to Validate Address"; and "Due date requested has passed." Qwest states that "by coding a relatively small percentage of possible error messages into SATE, CLECs are able to test their ability to process 100 percent of the possible error messages they would receive in production." Notarianni & Doherty Decl. ¶¶ 722. But this makes no sense. The messages generated electronically should always be the same in production and testing – and, ideally, any manual responses should also be identical for the same type of order, whether in production or testing. As for Qwest's statement that it has documented differences between SATE and production, even if this is so it would be insufficient, as KPMG concluded: "KPMG Consulting maintains its position that test environment

transaction responses should mirror those from the corresponding production environment." Exception 3077. If CLECs receive a different message in the test environment than is expected in production, they are not assured of what the response will be in production. They are not assured either that their code or Qwest's code is working properly. Moreover, the error responses are not all that differs, as the address example I provided above demonstrates.

112. The differences between SATE and production are likely even more substantial that Qwest acknowledges, as CLECs have had little time to use SATE since its implementation to determine what problems exist with SATE. But it is already clear that SATE does not mirror production in important respects, making it difficult for CLECs to rely on SATE as a basis for evaluating a new version of an interface. When CLECs receive a response in SATE, they have no way of knowing whether they will receive the same response in production and whether they should revise their systems, ask Qwest to revise its systems, or conclude that there is no need for any changes.

113. The DOJ relied on this Commission's prior Orders to conclude that a test environment does not have to be identical to production. DOJ Qwest I Eval. at 29. But the Commission's prior conclusions on this point indicated that a test environment did not have to mirror flow-through or response times of production. The Commission did not conclude that it was acceptable for a BOC to establish a test environment in which CLECs received different responses than they would receive in production. This significantly undermines the significance of any results obtained during testing.

114. The DOJ also relies on the fact that SATE's accuracy has been close to the benchmark of 95 percent compliance with documentation and business rules. DOJ Qwest

I Eval. at 30. Even if this is so, however, this does not show that SATE is adequate. Depending on what the business rules and documentation say, SATE could be 100% compliant with the business rules and documentation, yet yield completely different results than the production environment. As the DOJ notes, Qwest does not yet measure the extent to which SATE mirrors real-world production results. DOJ Qwest I Eval. at 30. As DOJ says, this is a "large, unresolved concern." DOJ Qwest I Eval. at 30. It is vital that SATE mirror production, and until it does, Qwest should not be authorized to provide long distance service.

CONCLUSION

This concludes my declaration on behalf of WorldCom.